

Table 58b

Distribution of second largest expenditure on IT-based innovation activities for innovators, by selected company characteristics: 2001

(Percent distribution)

Characteristic	Total	Second largest expenditure				Nonresponse
		Internal and external research	Acquiring hardware, software, IT technology	Protecting intellectual property	Other	
Innovators ¹	100.0	45.4	19.2	17.1	6.4	11.8
IT.....	100.0	35.3	38.5	12.0	5.4	8.8
Manufacturing.....	100.0	33.6	39.0	S	S	S
Communication.....	100.0	38.7	32.0	14.4	S	11.6
Computer related services.....	100.0	35.0	40.0	11.7	S	S
Non-IT.....	100.0	47.9	14.6	18.4	6.6	12.5
Manufacturing.....	100.0	52.0	S	S	S	S
Transportation & public utilities.....	100.0	41.1	S	S	S	22.3
Finance, insurance & real estate.....	100.0	43.8	S	19.0	S	15.3
Engineering & AAB services.....	100.0	39.7	22.3	17.3	S	12.8
By revenue size						
\$2.5M to \$4.9M.....	100.0	45.2	23.5	15.5	5.6	10.3
\$5M to \$9.9M.....	100.0	51.2	14.5	18.2	S	10.1
\$10M to \$24.9M.....	100.0	40.3	20.7	17.3	S	13.2
\$25M to \$50M.....	100.0	47.8	S	S	S	S
Above \$50M.....	100.0	41.9	16.0	S	S	S

¹ To be classified as an innovator, the company had to indicate that it had developed a product or process in the past 12 months or believed it would develop a product or process in the next 12 months as a result of IT-based innovation. The survey was conducted during the period July 2001–April 2002.

KEY: IT=information technology; AAB=accounting, auditing, bookkeeping; S=suppressed for reasons of reliability due to receiving less than 20 responses

NOTES: Responses are to question 19a: "In thinking about your company's activities in IT-based innovation, which one of the following, if any, would you say accounts for the next largest expenditure?" This question was only asked of innovators. Total nonresponse consists of item nonresponse and don't know responses. Percentages are calculated excluding 71 cases, representing 1,500 companies that were not asked the question because they reported their largest expenditure as "Other" or "Don't know." Percentages are based on unrounded frequencies and may not total 100 due to rounding.

IT is defined as the hardware and software that support the production or use of computer-based information systems, the infrastructure necessary to access such information systems, or data processing services. Companies are classified as IT or Non-IT based on their 4-digit SIC number. IT Manufacturing includes companies with SICs of 3571-3579, 3651, 3661-3679, 3895, 3823-3826. IT Communication includes companies with SICs of 4812-4822, 4832, 4833, 4841-4899. IT Computer related services includes companies with SICs of 7371-7379. Non-IT Manufacturing includes companies with SICs of 2011-3569, 3581-3648, 3652, 3691-3694, 3699-3822, 3827-3999. Non-IT Transportation & public utilities includes companies with SICs of 4011-4231, 4412-4789, 4911-4971. Non-IT Finance, insurance & real estate includes companies with SICs of 6011-6036, 6081-6153, 6159, 6162-6799. Non-IT Engineering & AAB services includes companies with SICs of 8711, 8721.

SOURCE: National Science Foundation, 2001 Information Technology Innovation Survey.